

COMMONWEALTH OF VIRGINIA

BOARD MEMBERS
ANNE P. FETERA, CHAIRMAN
CLARENCE XV. ROBERTS
CLATER C. MOTTINGER



2901 HERMITAGE ROAD

RICHMOND, VIRGINIA 23261
(804) 213-4400

FAX (804) 213-4411 TDD LOCAL (804)2134687

Department of Alcoholic Beverage Control

CIRCULAR LETTER 98-1

TO; EACH MANUFACTURER, WHOLESALER AND RETMLER OF ALCOHOLIC BEVERAGES

SUBJECT: SPONSORSHIP OF PUBLIC EVENTS

PURPOSE: The purpose of this letter is to provide clarification on the above subject.

BACKGROUND: Inquiry has been made whether a wholesaler of alcoholic beverages can participate in the sponsorship of a charitable event being conducted by a retail licensee, where sponsorship means receiving brand name or company name identification in relation to the event in consideration of the manufacturer or wholesaler paying or giving anything of value, directly or indirectly. Section 3VAC 5-20-100 permits a manufacturer of alcoholic beverages to sponsor and permits a wholesaler of alcoholic beverages to co-sponsor a charitable event. Section 4.1-216 of the Code of Virginia prohibits a manufacturer or wholesaler from giving, either directly or indirectly, to a retail licensee any money or anything of value with which the business of the retail licensee is conducted, or for any other purpose.

HELD: Manufacturers and wholesalers may not sponsor any event which is organized in whole or in part by a retail licensee. Exception will not be taken to a manufacturer and wholesaler on the one hand and a retailer on the other hand being independent participants in an event conducted by a third party to benefit a recognized charity. Further, no exception will be taken with manufacturers or wholesalers participating in golf tournaments as players provided the participation is not a shift or device to give something of value to a retail licensee.

INQUIRIES: Any questions or concerns should be directed to SAC Shawn P. Walker, Compliance Unit, and P.O. BOX 27491, Richmond , Virginia, 23261.

W. Curtis Coleburn, III
Judicial, Policy and Legislative Director